



NATIONAL ASSOCIATION OF
CHRONIC DISEASE DIRECTORS
Promoting Health. Preventing Disease.

Since 1988, the National Association of Chronic Disease Directors and its more than 7,000 Members have worked to strengthen state-based leadership and expertise for chronic disease prevention and control in all states, territories, and nationally.

What is a Third-Party Organization?

Third-party organizations (TPOs) are national or local entities that provide outsourced specialized services to CBOs, healthcare providers and organizations, and payers. They also are known as third-party administrators (TPAs), administrative services organizations (ASOs), management service organizations (MSOs), or provider integrators.

WORKING WITH THIRD-PARTY ORGANIZATIONS

to Administer the National Diabetes Prevention Program Lifestyle Change Program

Since 2010, the National Diabetes Prevention Program (National DPP), led by the Centers for Disease Control and Prevention (CDC), has helped to address prediabetes and prevent type 2 diabetes in communities across the United States. Public-private partnerships are leveraged to deliver the highly-effective National DPP lifestyle change program, which can reduce the risk of developing type 2 diabetes by 58% (71% for people over 60 years old).

Community based organizations (CBOs) and other entities offer the program in communities across the United States. However, they may lack the capabilities to: contract with or bill Medicare, Medicaid, employers, and commercial health plans; manage large amounts of data; track program participation and referrals; or coordinate across healthcare providers. Lack of capacity to complete these administrative tasks may discourage CBOs from continued participation and could make it challenging for a program to obtain or maintain CDC recognition.

Organizations may reduce their administrative burden by considering the use of a **third-party organization (TPO)**.

How Can a Third-Party Organization Help?

TPOs can bridge the gap in administrative and support functions for organizations offering the National DPP lifestyle change program. Many TPOs offer custom services to meet an organization's needs. Depending on the TPO, available services may include, but are not limited to:

- Billing
- Branding
- Business Service Support
- Certification & Credentialing
- Contracting
- Data Collection & Management
- Engagement
- Evaluation
- Financial (e.g., claims, invoicing)
- Legal & Licensing
- Marketing
- Network Building & Coordination
- Quality Assurance
- Recruitment & Referral
- Reimbursement
- Reporting
- Technology Service Support

Third-Party Organization Service Examples

TPOs currently assist CBOs offering the National DPP lifestyle change program in meeting administrative and programmatic needs. Examples include:

- Verification of billing and claims-based reimbursement by public and commercial insurers
- Support in achieving CDC-recognition and managing Medicare Diabetes Prevention Program (MDPP) supplier regulations
- Contracting and negotiation support
- Data collection, analysis, storage, security, management, and submissions
- Legal support on Health Insurance Portability and Accountability Act (HIPAA) and Health Information Technology for Economic and Clinical Health Act (HITECH); data use agreements
- Multi-partner convening and technical support
- Plan member identification; recruitment and secure referral of at-risk individuals

Considerations for State Health Departments

State Needs	What services does your state, or CBOs within your state, need? What gaps could the TPOs fill? Has an online resource and service provider directory been created for National DPP-related services?
TPO Availability	Who are the current TPOs operating in your state? With whom do they currently contract (e.g., health plan(s), employers)?
Service Options	What functions do the TPOs serve? Do they offer customizable services?
Contracting	Is the TPO willing to contract with CBOs? How is contracting accomplished? Can the TPO perform the service directly, or will the TPO need to subcontract out for services?
Costs	What are the costs, and how will the organizations pay for services?
Sustainability	Is the funding source/business model sustainable? Have CBOs in your state considered collaborating to form a network hub or umbrella structure to increase collective bargaining power or streamline functions?
Possible Alternate Contracting Options	Would the State Health Department prefer to contract directly with the TPO? What contractual arrangements are permissible under state guidelines? Is a bid process required? <i>Contracting options are subject to federal and state funding and legal restrictions. Please check with your legal department.</i>
Data-Sharing	If the State Health Department contracts directly with the TPO, will the TPO share data with the State Health Department, including detailed information on contracted National DPP lifestyle change program delivery organizations, referral counts, and participation information?

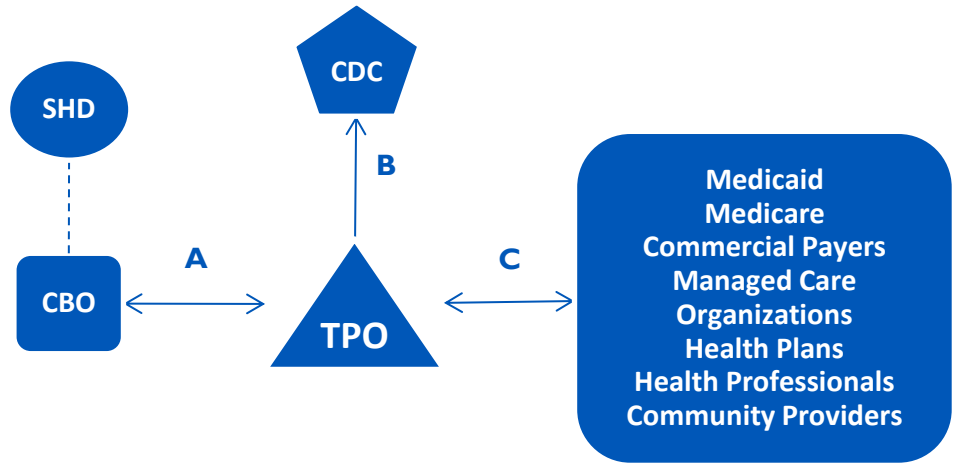
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Example TPO Contractual Arrangement

This page shows one possible example of a contractual arrangement. Arrangements will vary due to federal and state funding and legal restrictions.



Interested Parties

	Third-Party Organization (TPO)	On behalf of CBO, performs functions directly or acts as an intermediary with various service providers.
	Centers for Disease Control and Prevention (CDC)	Receives program information to determine recognition status.
	Community-Based Organization (CBO): Network Hub or Umbrella	Contracts with TPO to outsource functions. Receives guidance from SHD.
	State Health Department (SHD)	Advises CBO. No direct involvement with TPO.
	Various Service Providers	Provide services under the TPO's direction that meet CBO-customized needs.

Relationships

A	CBO ↔ TPO	CBO contracts with TPO. TPO handles contracted services for CBO and provides program data back to CBO.
B	TPO → CDC	TPO monitors, collects, and/or submits data for CDC recognition.
C	TPO ↔ Various Service Providers	TPO works with various service providers (e.g., subcontracts or business agreements) to ensure CBO service needs are met. Service providers provide needed services to further CBO goals.
-----	SHD ----- CBO	SHD advises CBO. CBO shares progress with SHD.

Your Help is Needed

CDC is gathering information about payment and administrative services that would help CBOs become more sustainable. Since availability of full-service TPOs is limited, CBOs may need to partner with other organizations to acquire the resources they need to bill for and submit claims.

Please help by sharing detailed information, specific resources, or tools relating to existing TPOs or other organizations in your state offering any of the services listed in this document. Send contact information, services offered, resource descriptions, and links if available to Michelle Hansen at MHansen@chronicdisease.org.

To learn more about the National DPP, visit www.cdc.gov/diabetes/prevention/index.html.